



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

January 22, 1952

Mr. Max Millikan
Assistant Director of
Central Intelligence
Central Intelligence Agency
2430 E Street, N.W.
Washington, D. C.

Dear Mr. Millikan:

I am writing to you for help on a problem which has arisen in connection with the work of the Budget Bureau's Advisory Committee on Statistical Security, or more specifically, the Technical Advisory Group thereto, on which one of my staff is the Bureau of Mines representative.

The above committee is currently considering the advisability of restricting publication of import statistics on certain commodities deemed critical to the United States and for which the United States is largely dependent upon imports. In this connection my representative has been asked by the Group to examine into five mineral commodities -- magnesium, zirconium ore, tin, columbium, and graphite -- with a view to ascertaining, if possible, the considerations that are pertinent to a decision on restriction.

In view of the work of your organization in analyzing the economics of other countries, and your consequent expert acquaintance with the uses to which various types of economic information can be put from a military intelligence standpoint, I believe you could be of considerable help in evaluating the usefulness of import data on the five commodities named to a potential enemy of the United States and the advantages which might be achieved by restricting such data. Most useful to us would be a consideration of the value to potential enemy of such import data from such individual standpoints as:

1. Intelligence for overall strategic studies of United States intentions and capabilities.
2. Intelligence for order of battle, nature of weapons and equipment, etc.

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3. Intelligence for use in strategic bombing operations.
4. Intelligence for use in sabotage operations.
5. Intelligence for use in submarine and other naval warfare operations.
6. Intelligence for use in preemptive buying.

This list is intended only to be illustrative, however, and if you think that there are other useful approaches in addition to those mentioned, or that a different set of categories is indicated, I should be happy to have the benefit of your judgment thereon.

My representative's report on the five commodities named is due for presentation to the working group on January 25. I realize that it will not be possible for you to have comments by that time. I would therefore appreciate it if you would indicate whether you can make the analysis referred to above, so that the Advisory Committee can consider postponing a final recommendation pending receipt of your analysis.

I enclose a dictated internal Bureau memorandum for such help as it may be. It indicates our need for whatever help you could give.

Sam H. Schurr

Sam H. Schurr
Chief Economist

Enclosure